

**Watertown Local Development Corporation**  
**Thursday, March 23, 2023**  
**Meeting Minutes**

The Watertown Local Development Corporation Board of Directors monthly meeting was held on Thursday March 23, 2023, at 8:30 AM at 82 Public Square.

**Present** – President Jeff Smith, Dave Zembiec, Michael Lumbis, Michael Pierce, Steve Hunt, Dawn Cole, Charles Capone

**Others Present** – Marshall Weir; Craig Fox, Watertown Daily Times; Cyril Mouaikel, Managing Director RBC; John Nuber, Associate Vice President, RBC; Liz Bush, Partner, Bowers & Company CPAs, PLLC; Andrew Swords, Audit Supervisor, Bowers & Company CPAs, PLLC

**Staff** - Donald Rutherford, CEO; Kylee McGrath, Executive Assistant

**Call to Order** –President Smith called the meeting to order at 8:27 AM.

**Minutes** –Minutes of the February 23, 2023, meeting were presented. Motion made by Mr. Pierce to accept the minutes, seconded by Mr. Lumbis. All in favor. Carried.

**2022 Audit**

Ms. Bush presented the 2022 audit. Bowers & Company presented a clean unmodified opinion. Total assets decreased from 10.1 million to 9.5 million from 2021 to 2022. There was a decrease of \$635,000 in cash but an increase of \$450,000 in loans receivable. There weren't any new policies in place for the 2022 audit. There weren't any changes suggested. Ms. Bush and Mr. Swords left at 8:40 am.

**2022 Financial Report**

Mr. Mouaikel presented the 2022 Investment portfolio. The portfolio is showing a loss of \$330,000 on paper. The cash needs for the WLDC are unpredictable. Mr. Rutherford has been speaking to Mr. Mouaikel monthly to keep him informed of the WLDC's liquidity needs. Mr. Mouaikel and Mr. Nuber left at 9:15 am.

Mr. Pierce made a motion to approve the 2022 Investment report, seconded by Mr. Lumbis. All in favor. Carried.

**Financial Report-** Mr. Capone reviewed the February 2023 financials.

Mr. Rutherford has been in contact with those that are shown as past due on the customer loan report. Snide's Towing file has been sent to the attorney's office to begin the collections process. Loan to Hale's Bus Garage still has not closed (this loan will pay off the loans to Marble Street Garage and Freeman Bus).

Mr. Pierce made a motion to write off the loan to Snide's Towing since the file has been handed over to the attorney's office, seconded by Mr. Weir.

Ms. Bonner has switched employers, her file has been transferred from Teresa Bennett to KWB Attorneys. Going forward they will handle the collection activity.

The committed loan to 7 Arrows will not be moving forward.

Mr. Hunt made a motion to accept the customer loan report and the financial reports, seconded by Mr. Lumbis. All in Favored. Carried.

#### Loan Review Committee

The loan review committee recommended a loan to Treehouse Hourly Childcare LLC. However she is not ready at this time to move forward with the loan.

#### DRI Update

Awnings on majority of the projects have been installed. There are some remaining funds still available.

Mr. Zembiec made a motion to allocate the remaining funds to 259 JB Wise Partners.

Mr. Capone made a motion to approve more than \$25,000 of DRI Façade funding to 259 JB Wise Partners since the building has more than one façade. Seconded by Mr. Lumbis.

Mr. Pierce made a motion to request an extension for the DRI Façade program with a new end date of September 1<sup>st</sup>. Seconded by Mr. Zembiec.

#### Facilities

Mr. Rutherford has been working on a lease with Mr. Queri for office space in the newly renovated JB Wise building. The current space the WLDC occupies is more space than needed. The new lease will be a 10-year lease at \$1,517 per month with a 2% escalation clause. Mr. Lumbis made a motion to approve the new office space lease seconded by Mr. Zembiec.

#### Rail Spur

Mr. Rutherford and Mr. Zembiec have been discussing the WLDC taking ownership of the rail spur located in the CCIP. The insurance quote was for \$930 per year which would be the WLDC's responsibility. Mr. Pierce made a motion to approve taking ownership of the rail spur located in the CCIP seconded by Mr. Capone.

Mr. Hunt made a motion to adjourn at 9:47am seconded by Mr. Zembiec.